Form (2)
273 - E
26 - 3 - 2016

THE REPUBLIC OF THE UNION OF MYANMAR

The Myanmar Investment Commission

PERMIT

Permit No. 1108/2016 Date: 26th March 2016

This Permit is issued by the Myanmar Investment Commission according to the section 13, sub-section (b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/Promoter MR. RAJIV KUMAR NEMANI

(b) Citizenship INDIAN

(c) Address 5 EAST AVAS VIKAS COLONY POST- BETIAHATA, GORAKHPUR, PIN: 273001, UTTAR PRADESH, INDIA

(d) Name and address of Principal Organization NEMANI PLYWOOD PRIVATE LIMITED , AL-10 SECTOR 13 GIDA, GORAKHPUR, UTTAR PRADESH- 273209, INDIA

(e) Place of incorporation INDIA

(f) Type of Investment Business MANUFACTURING AND MARKETING OF PLYWOOD, FACE VENEER, CORE VENEER, SAWN TIMBER AND FURNITURE PRODUCTS

(g) Place(s) at which Investment is permitted PLOT NO. 43 AND 44, BLOCK NO. 64 - SETHMU, INDUSTRIAL ZONE (3), SHWE PYI THAR TOWNSHIP, YANGON REGION

(h) Amount of Foreign Capital US$ 2.00 MILLION

(i) Period for Foreign Capital brought in WITHIN TWO YEARS FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US$ 2.00 MILLION

(k) Construction period 2 YEARS

(l) Validity of investment permit 30 YEARS

(m) Form of investment WHOLLY FOREIGN OWNED INVESTMENT

(n) Name of Company incorporated in Myanmar NEW BAMAW TIMBER PRODUCTS COMPANY LIMITED

Chairman

The Myanmar Investment Commission

ပုံစံ (၂)

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်
ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ်၊ ၁၁၀၈/၂၀၁၆ ၂၀၁၆ ခုနှစ် မတ်လ ၁၆ ရက်

ပြည်ထောင်စု သမ္မတမြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၃ ပုဒ်မခွဲ(ခ)အရ ဤခွင့်ပြုမိန့်ကိုမြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်ကထုတ်ပေးလိုက်သည်-

(က) ရင်းနှီးမြှုပ်နှံသူ/ကမကထပြုသူ၏အမည် MR. RAJIV KUMAR NEMANI

(ခ) နိုင်ငံသား INDIAN

(ဂ) နေရပ်လိပ်စာ 5 EAST AVAS VIKAS COLONY POST- BETIAHATA, GORAKHPUR, PIN: 273001, UTTAR PRADESH, INDIA

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ NEMANI PLYWOOD PRIVATE LIMITED, AL-10 SECTOR 13 GIDA, GORAKHPUR, UTTAR PRADESH- 273209, INDIA

(င) ဖွဲ့စည်းရာအရပ် အိန္ဒိယနိုင်ငံ

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား အထပ်သား၊ မျက်နှာပြင် သစ်ပါးလွှာ၊ မျက်နှာပြင်ကပ် သစ်ပါးလွှာ၊ သစ်ခွဲသား နှင့် ပရိဘောဂများ ထုတ်လုပ်ရောင်းချခြင်း လုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) မြေကွက်အမှတ် (၄၃၊ ၄၄)၊ မြေတိုင်းရပ်ကွက်အမှတ် (၆၄-စက်မှု)၊ စက်မှုဇုန် (၃)၊ ရွှေပြည်သာမြို့နယ်၊ ရန်ကုန်တိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်းပမာဏ အမေရိကန်ဒေါ်လာ ၂.၀၀ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင်ခွင့်ပြုမိန့်ရရှိသည့်နေ့မှ ၂ နှစ် အတွင်း

(ည) စုစုပေါင်းမတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၂.၀၀ သန်း နှင့် ညီမျှသော မြန်မာကျပ်ငွေ

(ဋ) တည်ဆောက်မှုကာလ ၂ နှစ်

(ဌ) ရင်းနှီးမြှုပ်နှံမှု ခွင့်ပြုသည့် သက်တမ်း ၃၀ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ရာခိုင်နှုန်းပြည့် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် ကုမ္ပဏီအမည် NEW BAMAW TIMBER PRODUCTS COMPANY LIMITED

16/3

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

THE REPUBLIC OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

No.(1), Thitsar Road, Yankin Township, Yangon

Tel: 01-658127
Fax: 01-658136

Our ref : DICA-2/ FI- 134/ 2016(२ၛ३- ई)
Date : 26th March 2016

Subject : **Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing and Marketing of Plywood, Face Veneer, Core Veneer, Sawn Timber and Furniture Products" under the name of New Bamaw Timber Products Company Limited.**

Reference: New Bamaw Timber Products Company Limited Letter dated (11-1-2016)

1. The Myanmar Investment Commission, at its meeting (11/2016) held on 25th March, 2016 had approved the proposal for investment in "Manufacturing and Marketing of Plywood, Face Veneer, Core Veneer, Sawn Timber and Furniture Products" under the name of "New Bamaw Timber Products Company Limited" submitted as a wholly foreign owned investment by Nemani Plywood Private Limited (50%) and B P Industries (Plyboards) Private Limited (50%) from India.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to Foreign Investment Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 30 (thirty) years and extendable for another 10(ten) years in 2 (two) times commencing from the date of the issuance of Myanmar Investment Commission's Permit. The term of the Lease Agreement for land and buildings shall be initial 30 (thirty) years commencing from the date of signing of the Lease Agreement between Daw Ni Ni Htwe and Daw Aye Aye Mu for Plot No. 43, Block No. 64-Sethmu, Industrial Zone (3), Shwe Pyi Thar Township, Yangon Region, U Tin Aung Latt for Plot No. 44,

Block No. 64, Industrial Zone (3), Shwe Pyi Thar Township, Yangon Region (Lessors) and New Bamaw Timber Products Company Limited (Lessee) and extendable for 10(ten) years in 2(two) times by mutual agreement between the lessors and the lessee. On the expiry of the Lease Agreement, New Bamaw Timber Products Company Limited shall transfer the leased land and buildings to the lessors within three months in good condition, ground damages have been refilled or repaired.

4. The monthly rent for the land and building shall be US$ 3000 (United States Dollar three thousand only), calculated at the rate of US$ 5.46 per square meter per year of the total land measuring 6596.375 square meters (1.63 acres) of Plot No. 43, Block No. 64, Industrial Zone (3), Shwe Pyi Thar Township, Yangon Region and the monthly rent for the land and building shall be US$ 4000 (United States Dollar four thousand only), calculated at the rate of US$ 6.21 per square meter per year of the total land measuring 7733.542 square meters (1.911 acres) of Plot No. 44, Block No. 64, Industrial Zone (3), Shwe Pyi Thar Township, Yangon Region. The monthly rent for equipments shall be US$ 2500 (United States Dollar two thousand and five hundred only). The rate of rent shall be revised after every 5 (five) years and increase of the rent shall not be more than 5% of the previous rent.

5. In issuing this "Permit," the Commission has granted, the followings, exemptions and reliefs as per section 27 (a),(h),(i) and (k) of the Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project :

(a) As per section-27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial operation;

(b) As per section-27(h), exemption or relief from customs duty or other internal taxes or both on machinery, equipment, instrument, machinery components, spare parts and materials used in the business which are imported as they are actually required for use during period of construction of business;

(c) As per section-27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section-27(k), exemption or relief from commercial tax on the goods produced for export.

6. New Bamaw Timber Products Company Limited shall have to sign the Land and Building Lease Agreement with Daw Ni Ni Htwe, Daw Aye Aye Mu and Land, Building and Equipment Lease Agreement with U Tin Aung Latt. After signing Agreements, each of (5) copies shall have to be forwarded to the Commission.

7. New Bamaw Timber Products Company Limited in consultation with the Company Division, Directorate of Investment and Company Administration shall have to be registered. After registration, (5)copies each of Certificate of Incorporation and Memorandum of Association and Articles of Association shall have to be forwarded to the Commission.

8. New Bamaw Timber Products Company Limited shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit" it shall become null and void.

9. New Bamaw Timber Products Company Limited has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

10. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension of construction period shall not be granted more than twice except it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, a state of emergency, insurgency and outbreak of wars.

11. As per Chapter X, Rule 63 of the Foreign Investment Rules, if New Bamaw Timber Products Company Limited cannot construct completely in time during the construction period or extension period, the Commission will have

to withdraw the permit issued to the investor and there is no refund for the expenses of the project.

12. The investor or promoter shall apply the commencement date of commercial operation with Form (11) for their manufacturing business and report to the Commission in accordance with Foreign Investment Rule 97.

13. New Bamaw Timber Products Company Limited is prohibited from importing (if any) the same species of wood available in Myanmar.

14. New Bamaw Timber Products Company Limited shall endeavour to meet the targets for production and export stated in the proposal as the minimum target.

15. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal and also in accordance with Chapter XI, section 24 and section 25 of the Foreign Investment Law and the New Bamaw Timber Products Company Limited has to follow the existing Labour Laws for the recruitment of staff and labour in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

16. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of the Foreign Investment Law, it is compulsory to report as early as possible in the following manner:

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rules 134 and 135 of the Foreign Investment Rules;
(b) the detailed lists of the type and value of foreign capital defined under Chapter I, section-2(i) of the Foreign Investment Law, other than foreign currency.

17. Whenever New Bamaw Timber Products Company Limited brings in foreign capital defined under Chapter I, section-2(i) of the Foreign Investment

Law, other than foreign currency in the manner of paragraph 16(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

18. New Bamaw Timber Products Company Limited has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 of the Foreign Investment Rules and for transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the State and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

19. New Bamaw Timber Products Company Limited shall report to the Commission for any alteration in the physical and financial plan of the project. Cost overrun, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

20. New Bamaw Timber Products Company Limited shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry in which to conduct an Initial Environmental Examination (IEE) Process and an Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted and to perform activities in accordance with this EMP and be abided by the environmental policy, Environmental Conservation Law and other environmental related rules and procedures.

21. New Bamaw Timber Products Company Limited shall have to apply for private owned plantation areas of own consumptions to Forest Department, Ministry of Environmental Conservation and Forestry.

22. After getting permit from Myanmar Investment Commission, New Bamaw Timber Products Company Limited shall have to be registered at the Directorate of Industrial Supervision and Inspection.

23. New Bamaw Timber Products Company Limited shall have to abide by the Fire Services Department's rules, regulations, directives and instructions. Moreover, fire prevention measures shall have to undertake such as water storage tank, fire extinguishers and provide training to use the fire fighting equipments and also to appoint fire safety officer.

24. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc., shall be made either out of the local sales in Kyat currency and US$ or from export earnings of New Bamaw Timber Products Company Limited .

25. New Bamaw Timber Products Company Limited in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter XII, Rule 79 and 80 of the Foreign Investment Rules.

(Zay Yar Aung)
Chairman

Managing Director
New Bamaw Timber Products Company Limited

cc: 1. Office of the Government of the Republic of the Union of Myanmar
2. Ministry of Home Affairs
3. Ministry of Foreign Affairs
4. Ministry of Environmental Conservation and Forestry

5. Ministry of Electric Power
6. Ministry of Immigration and Population
7. Ministry of Industry
8. Ministry of Commerce
9. Ministry of Finance
10. Ministry of National Planning and Economic Development
11. Ministry of Labour, Employment and Social Security
12. Central Bank of Myanmar
13. Office of the Yangon Region Government
14. Director General, Fire Service Department
15. Director General, Department of Environmental Conservation
16. Director General, Forest Department
17. Director General, Immigration and National Registration Department
18. Director General, Directorate of Industrial Supervision and Inspection
19. Director General, Customs Department
20. Director General, Internal Revenue Department
21. Director General, Department of Trade
22. Director General, Directorate of Investment and Company Administration
23. Director General, Directorate of Labour
24. Managing Director, Myanma Timber Enterprise
25. Managing Director, Myanma Electric Power Enterprise
26. Managing Director, Myanma Foreign Trade Bank
27. Managing Director, Myanma Investment and Commercial Bank
28. Managing Director, Myanma Insurance
29. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI)